

# **Kentucky Agricultural Development Board**

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## ***Minutes of the March 16, 2007 Board Meeting***

The Kentucky Agricultural Development Board meeting was held on **March 16, 2007** at **8:30 AM EDT** in the Jefferson Suite of the Hilton Garden Inn in Louisville, KY. Michael Judge, presiding, called the meeting to order, and the Secretary called the roll.

### **Roll Call**

#### ***Members Present***

Donna Amburgey; H. H. Barlow; John Cleaver; Rodney Dick; Commissioner Richie Farmer (Michael Judge, designee); Dennis Griffin; Wayne Hunt; Sam Lawson; Jim Mahan; Wayne Mattingly; Dean M. Scott Smith; Secretary Benjamin Fuqua (Don Goodin, designee)

#### ***Members with Excused Absences***

Governor Ernie Fletcher; Vickie Yates Brown; Sam Moore

#### ***Others Present***

**Staff -** Stacia Alford, Catherine Ball, Angela Blank; Brian Furnish, Sandy Gardner, Todd Harp, Tim Hughes, Christi Marksberry, Bill McCloskey, Joel Neaveill, Keith Rogers, Kylee Smith, Nick Whobrey, Stephen Yates

**Guests –** Adam Lister, Green River Area Development District; Lowell Atchley, Legislative Research Commission; Will Snell, University of Kentucky College of Agriculture; Kara Keeton, Keeton Communications; Rick Raque, Allied Food Marketers West; Christina Gordley, Governor's Office of Policy Management

### **Notification of Media**

Michael Judge received verification from Keith L. Rogers, Chief Executive Officer, that the media had received notice regarding the Kentucky Agricultural Development Board's monthly meeting.

### **Welcome**

Mr. Judge welcomed everyone to the Kentucky Agricultural Development Board meeting.

### **Approval of Minutes**

John Cleaver identified a correction to the February 16, 2007 minutes. He stated that under "Other Business", he made the 2<sup>nd</sup> motion for Premise ID, not Sam Moore. Rodney Dick moved to approve the minutes of the February 16, 2007 meeting as corrected: Dennis Griffin seconded the motion. The motion passed without dissent.

### **Executive Director's Report**

Mr. Rogers began his report by informing the board that Sam Moore was not in attendance at the meeting due to a funeral and Vickie Yates Brown was attending a conference.

Mr. Rogers called on Tim Hughes to give an update on the Kentucky Agricultural Finance Corporation (KAFC). Mr. Hughes stated he had been attending the Kentucky Dairy Development Council's dairy barn meetings across the state. He went over the KAFC document in the update folder. (Refer to handout on file with Board Secretary)

Mr. Rogers thanked everyone for attending the Governor's Summit on Agriculture on March 15 and he said a special thanks to the staff. He indicated that several had asked for a copy of Governor Fletcher's speech and they will need to email him to request a copy.

Mr. Rogers asked the Board to refer to the memo from Catherine Ball regarding monitoring and compliance. The memo reflects projects and programs approved by the Kentucky Agricultural Development Board, beginning in 2001. (Handout on file with Board Secretary)

Mr. Rogers referred to the memo in the packet on the Heifer Replacement Project Policy. Mr. Dick moved to adopt the staff recommendation; Jim Mahan seconded the motion. The motion passed without dissent. (Handout on file with Board Secretary)

Mr. Rogers went over the Status of Accounts document with the Board. There were no major changes. He stated the money for the new year will be available around April 15. The payment will likely be about 18 percent less this year for county funds. There will be a short budget session on the agenda at the April or May board meeting. (Handout on file with the Board Secretary)

Mr. Rogers asked Catherine Ball to review the changes with the Board on the administrative regulations for the distribution of monies from the Kentucky Agricultural Development Fund. (Handout on file with Board Secretary)

## **Presentation**

Michael Judge introduced Sara Williamson with the Kentucky Department of Agriculture to give a presentation to the Board members on the MarketMaker program.

## **Old Business**

### ***Pilot Migrant Infrastructure Program***

Mr. Rogers discussed the issue of the Pilot Migrant Infrastructure Program that was discussed at the November planning meeting. Labor is an intense issue that producers are faced with and Brian Furnish talked about using county funds to cost share on remodeling existing homes or buying mobile homes for workers to reside while in the country. Jim Mahan moved to pursue the potential of a pilot migrant infrastructure program and Donna Amburgey seconded the motion at the November planning meeting. Since November, some counties who asked for funding for this program have been Mason, Woodford, Christian, Shelby and Harrison. The Board discussed this issue with several preferring to delay the discussion. (Handout on file with Board Secretary)

Mr. Mahan moved to table the issue to the April meeting; Wayne Mattingly seconded the motion. The motion passed with dissent.

### ***Report from Kentucky Agricultural Development Board (KADB) Recipient Review Committee***

Mr. Rogers asked Sam Lawson to present the report from the review committee. The committee will meet with Allied Food Marketers quarterly, review the benchmarks and report back to Board. The committee felt this is some of the best money spent by the Board to date. (Handout on file with Board Secretary)

Sam Lawson moved that the report be accepted as read; Mr. Mahan seconded the motion. The motion passed without dissent.

## **New Business**

### ***Proposal to Evaluate Agricultural Development Fund Investment***

Michael Judge called on Joel Neaveill to present the Agricultural Development Fund Investment Study results. Mr. Neaveill gave the background for the project and called on Dr. Craig Infanger with the University of Kentucky to give the presentation for the proposal. (Memo on file with the Board Secretary)

Mr. Griffin moved to proceed with the project; H. H. Barlow seconded the motion. The motion passed without dissent. Dean Smith abstained from voting.

### ***Referral of April Projects<sup>1</sup>***

Mr. Rogers presented projects A2007-0033 to A2007-0065 for referral to the Board's April meeting for review. Wayne Hunt moved that projects A2007-0033 to A2007-0065 be referred for April review; Mr. Dick seconded the motion. The motion passed without dissent.

### ***Approval of Model Programs<sup>2</sup>***

Mr. Farrow presented projects requesting funds for county model programs. Mr. Dick moved the said applications be approved for the named model programs; Mr. Barlow seconded the motion. The motion passed without dissent.

### ***Requested Amendments<sup>3</sup>***

Mr. Rogers presented two requested amendments for approval. Mr. Dick moved that said amendments be approved as amended; Don Goodin seconded the motion. The motion passed without dissent.

Todd Harp presented a memo from the Clinton/Cumberland Cattlemen's Association, Inc. regarding project A2005-0526. The Clinton/Cumberland Cattlemen's Association, Inc. requested to include the Farm Livestock Fencing Improvement model program. Due to a clerical error, the program was inadvertently left off the original application. Mr. Griffin moved that said amendment be approved; Mr. Hunt seconded the motion. The motion passed without dissent.

Stephen Yates presented a memo from the Kentucky Shiitake Mushroom Growers Association regarding project A2003-0607. The Kentucky Shiitake Mushroom Growers Association requested an additional \$3,000 in county funds (\$1,500 from Spencer County and \$1,500 from Bullitt County). Mr. Griffin moved that said amendment be approved; Mr. Goodin seconded the motion. The motion passed without dissent.

Mr. Rogers referred to the document from Catherine Ball regarding expired applications, withdrawn applications and approved projects.

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<sup>1</sup> A detailed list of the referred projects is attached as Appendix A.

<sup>2</sup> A detailed list of projects funded under each model program category is attached as Appendix B.

<sup>3</sup> A detailed list of requested amendments approved is attached as Appendix C.

**Recommendations for Funding**

Stephen Yates presented A2007-0007, **Harrison County Beef Cattle Association**. Harrison County Beef Cattle Association requests \$75,000 in Harrison County funds to administer a Heifer Replacement Program. Mr. Yates reviewed the proposed terms and conditions for the project.

Mr. Mahan moved that **A2007-0007 be approved for \$75,000 in Harrison County funds**; Mr. Dick seconded the motion. The motion passed without dissent.

Nick Whobrey presented A2007-0033, **Pendleton County Agricultural Diversification Association, Inc.** Pendleton County Agricultural Diversification, Inc. requests \$235,893 in Pendleton County funds to administer a menu approach program with eleven model programs: Hay, Straw & Commodity Storage, Cattle Genetics Improvement, Farm Livestock Fencing Improvement, Cattle Handling Facilities, Forage Improvement & Utilization, Dairy Diversification, Goat & Sheep Diversification, Timber Production, Utilization & Marketing, Agricultural Diversification, Technology and Swine Diversification. Mr. Whobrey reviewed the proposed terms and conditions for the project.

Mr. Lawson moved that **A2007-0033 be approved for \$235,893 in Pendleton County funds**; Mr. Griffin seconded the motion. The motion passed without dissent.

Stephen Yates presented A2007-0034, **Bath County Cattleman's Association**. Bath County Cattleman's Association requests \$52,500 in Bath County funds to administer a menu approach for three model programs; Cattle Genetics Improvement, Cattle Handling Facilities and Farm Livestock Fencing Improvement. Mr. Yates reviewed the proposed terms and conditions for the project.

Mr. Dick moved that **A2007-0034 be approved for \$52,500 in Bath County funds**; Donna Amburgey seconded the motion. The motion passed without dissent.

Stephen Yates presented A2007-0042, **Montgomery County Farmer's Market**. Montgomery County Farmer's Market requests \$15,000 in Montgomery County funds to administer a satellite broadband program in Montgomery County. Mr. Yates reviewed the proposed terms and conditions for the project.

Mr. Mattingly moved that **A2007-0042 be approved for \$9,870 in Montgomery County funds**; Mr. Mahan seconded the motion. The motion passed without dissent.

Nick Whobrey presented A2007-0051, **Gallatin County Livestock Association**. Gallatin County Livestock Association requests \$30,000 in Gallatin County funds to administer a menu approach for six model programs; Hay, Straw & Commodity Storage, Farm Livestock Fencing Improvement, Cattle Handling Facilities, Cattle Genetics Improvement, Forage Improvement & Utilization and Technology. Mr. Whobrey reviewed the proposed terms and conditions for the project.

Mr. Griffin moved that **A2007-0051 be approved for \$30,000 in Gallatin County funds**; Dean Scott Smith seconded the motion. The motion passed without dissent.

Nick Whobrey presented A2007-0052, **Gallatin County Agricultural Diversification Program**. Gallatin County Agricultural Diversification Program requested \$30,000 in Gallatin County funds to administer a menu approach for five model programs: Agricultural Diversification,

Dairy Diversification, Timber Production, Utilization & Marketing, Goat & Sheep Diversification and Technology. Mr. Whobrey reviewed the proposed terms and conditions for the project.

Mr. Goodin moved that **A2007-0052 be approved for \$30,000 in Gallatin County funds**; Mr. Griffin seconded the motion. The motion passed without dissent.

### **Recommendations for Pending Funding**

The following application was discussed, but no action was taken: Appalachian Alternative Agriculture of Jackson County, Inc. (3AJC) (A2007-0006).

### **Recommendations for Deferred Funding**

Todd Harp presented A2007-0026, **University of Kentucky Research Foundation**. University of Kentucky Research Foundation requests \$1,435,017 in State funds to implement a leadership program for entrepreneurial coaches.

Mr. Harp introduced Dr. Ron Hustedde with University of Kentucky's Community & Leadership Development Department to answer any of the Board's questions. Dr. Hustedde called on former participants of the program, Dail Howard and Annette Walters, to give their perspective of the program. The Board also asked questions of those individuals. (Refer to handout on file with Board Secretary)

### **Closing Remarks**

The next meeting of the Kentucky Agricultural Development Board will convene at 10:00 AM EDT on Friday, April 20, 2007 at the Franklin County Cooperative Extension Office in Frankfort, KY. Note time and location of meeting subject to change; ample notification will be given if such a change occurs.

Mr. Dick moved to adjourn; Mr. Mahan seconded the motion. The motion passed without dissent. The meeting adjourned at 2:16 PM EDT.

**APPROVED:** \_\_\_\_\_

**PRESIDING OFFICER:** \_\_\_\_\_

**SECRETARY:** \_\_\_\_\_

## APPENDIX A: Applications for Referral

App #	Applicant	Request Type
A2007-0033	Pendleton County Agricultural Diversification Association, Inc.	Project
A2007-0034	Bath County Cattleman's Association	Project
A2007-0035	Lincoln County Farm Bureau	Project
A2007-0036	Lincoln County Goat and Sheep Producer's Association	Goat & Sheep Diversification
A2007-0037	Valentine's Gourmet Ice Cream, LLC	Project
A2007-0038	Greenup Co. Farm Bureau	Hay, Straw, & Commodity Storage
A2007-0039	Russell County Cattleman's Association	Project
A2007-0040	Russell County Cattleman's Association	Technology
A2007-0041	Elliott County Ag Development Council	Project
A2007-0042	Montgomery County Farmer's Market	Project
A2007-0043	Marion County Livestock Facilities	Cattle Handling Facilities
A2007-0044	Marion County Farm Bureau	Dairy Diversification
A2007-0045	Grayson County Cattleman's Association	Cattle Handling Facilities
A2007-0046	Grayson County Cattleman's Association	Cattle Genetics Improvement
A2007-0047	Grayson County Cattleman's Association	Forage Improvement & Utilization
A2007-0048	Grayson County Conservation District	Forage Improvement & Utilization
A2007-0049	Owen County Farm Bureau	Agricultural Diversification
A2007-0050	Owen County Farm Bureau	Project
A2007-0051	Gallatin County Livestock Association, Inc.	Project
A2007-0052	Gallatin County Agricultural Diversification Association, Inc.	Project
A2007-0053	McLean County Fiscal Court	Project
A2007-0054	New Pioneers For a Sustainable Future	Agricultural Diversification

**APPENDIX A: Applications for Referral**

<b>App #</b>	<b>Applicant</b>	<b>Request Type</b>
A2007-0055	Southeast Vintners, LLC	Project
A2007-0056	Kentucky Forage and Grassland Council	Project
A2007-0057	Washington County Cattleman's Association	Project
A2007-0058	Henry County Cattleman's Association	Project
A2007-0059	Leuchemix, Inc.	Project
A2007-0060	Johnson County Conservation District	Cattle Handling Facilities
A2007-0061	Christian County Board of Education	Project
A2007-0062	Trimble County Cattleman's Association	Project
A2007-0063	Lee County Conservation District	Hay, Straw, & Commodity Storage
A2007-0064	Lake Cumberland Milling, LLC	Project
A2007-0065	Honest Farm Inc.	Project

## APPENDIX B: Model Programs Recommended for Approval

**Agricultural Diversification**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2007-0049	Owen County Farm Bureau	Owen	\$50,000.00
A2007-0054	New Pioneers For a Sustainable Future	Washington	\$10,500.00
			<b>\$60,500.00</b>

**Cattle Genetics Improvement**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2007-0046	Grayson County Cattleman's Association	Grayson	\$10,000.00
			<b>\$10,000.00</b>

**Cattle Handling Facilities**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2007-0045	Grayson County Cattleman's Association	Grayson	\$10,000.00
A2007-0060	Johnson County Conservation District	Johnson	\$20,000.00
A2007-0043	Marion County Cattleman's Association	Marion	\$34,000.00
			<b>\$64,000.00</b>

**Dairy Diversification**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2007-0044	Marion County Farm Bureau	Marion	\$10,000.00
			<b>\$10,000.00</b>

**Forage Improvement & Utilization**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2007-0047	Grayson County Cattleman's Association	Grayson	\$5,000.00
A2007-0048	Grayson County Conservation District	Grayson	\$10,000.00
			<b>\$15,000.00</b>

**Goat & Sheep Diversification**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2007-0036	Lincoln County Goat and Sheep Producer's Association	Lincoln	\$28,000.00
			<b>\$28,000.00</b>

**Hay, Straw, & Commodity Storage**

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2007-0038	Greenup Co. Farm Bureau	Greenup	\$52,500.00
A2007-0063	Lee County Conservation District	Lee	\$105,000.00
			<b>\$157,500.00</b>



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<b>Technology</b>			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2007-0040	Russell County Cattleman's Association	Russell	\$12,120.00
			<hr/> <b>\$12,120.00</b>
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Total County Funds Recommended for Approval in Model Programs: <b>\$357,120.00</b>			

**APPENDIX C: Requested Amendments-Projects & Programs**

<b>App #</b>	<b>A2006-0388</b>
<b>Applicant Name</b>	<b>Rowan County Fiscal Court</b>
Amount Approved	\$10,000.00
Date	September 15, 2006
Requested Change	The applicant requests an <u>additional</u> \$3,000.00 for the <i>Cattle Genetics Improvement</i> Program. The request received a <u>high</u> priority from the Rowan County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$10,000.00.
Recommendation	Approval

<b>App#</b>	<b>A2006-0439</b>
<b>Applicant Name</b>	<b>Casey County Conservation District</b>
Amount Approved	\$150,000.00
Date	November 17, 2006
Requested Change	The applicant requests an <u>additional</u> \$300,000.00 for the <i>Forage Improvement &amp; Utilization</i> Program. The request received a <u>high</u> priority from the Casey County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$450,000.00.
Recommendation	Approval